

GOVERNMENT OF ANDHRA PRADESH

**ABSTRACT**

School Education (PE) Department – TEXT BOOKS – A.P. Govt.Text Book Press, Hyderabad – Possibility of revision of Royalty on Nationalised Text Books – Constitution of Committee - Orders – issued.

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EDUCATION (PE.PROG.II) DEPARTMENT

**G.O.RT.NO. 409**

**Dated :02-08-2012**

**Read :**

From the C&DSE, A.P.Hyd Rc.No.63/T2/2012,dt:28-03-2012

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ORDER :

In the reference read above, the Commissioner & Director of School Education, A.P.Hyderabad has reported that regarding the exploration of possibility of revision of Royalty on percentage basis instead of 10 Ps per book, the State Level Tender Committee opined that since the Director, Text Book Press is not copy right owner, it may not be appropriate to this committee to examine this issue as the Commissioner & Director of School Education, is the copy right holder and the same may be referred to the Commissioner & Director of School Education, A.P.Hyderabad to study the issue in grater detail. Hence, the Director, A.P.Govt.Text Book Press, Hyderabad has requested the Commissioner & Director of School Education, A.P.Hyderabad, to take necessary action in exploring the possibility of revision of royalty on percentage basis instead of Rs.0.10 ps per book as desired by the Hon'ble Minister for Primary Education and State Level Tender Committee at the earliest.

2. The Commissioner & Director of School Education, A.P.Hyderabad has further reported that thus, at this stage, it is informed to explore the feasibility of charging the royalty on a percentage basis as against the fixed royalty of ten paise per book presently being levied and collected. However, it is also informed at the same time that tenders have been finalized and printing of text books has been entrusted to certain agencies on the basis of a per page rate, whose components, among others, include the fixed royalty of ten paise per book. As such, the issue whether a revision in the rate or levy method of royalty would not entail a reopening of bid process and whether such course is desired by Government at this juncture needs to be considered keeping in view the time available before reopening of schools in June.

3. As regards the feasibility of migrating to an ad valorem royalty system, the Commissioner & Director of School Education, A.P.Hyderabad has stated that the same is feasible. As to the rate, the present fixed rate of ten paise per book was suggested and approved in 2006 basing on the practice in neighboring states like Karnatake. The royalty rate will have an impact on sale price of the text book. Hence, the objective in collection of royalty needs to be clarified, whether as a revenue source or as a token levy. The present rate is in the nature of a token levy, and the private sale that is being permitted is also very restrictive in nature. Assuming that the same system would continue, royalty @ 5% may be reasonable. Taking the average cost of a text book as Rs.25, it would be in the range of Rs.1.25per book. But this would be passed on to the student as above submitted.

4. The Commissioner & Director of School Education, A.P.Hyderabad has finally stated that a considered view needs to be taken whether to switch over to (PTO)

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the system of royalty on ad valorem basis (or percentage basis), if so whether it should be at this juncture and also what should be the percentage, which obviously would have to be on sale price of the book. As can be seen from the example cited above, there may be a more than ten fold increase in the royalty even if it is pegged at 5%. A view may be taken in this regard. In case it is decided to consider the issue separately in detail, it would appropriate to constitute a committee with senior officers to go into this issue, so that it can study the practice being followed in the other states and also by agencies like NCERT etc, and come up with more informed proposals in this regards.

5. Government, after careful examination of the matter, have decided to constitute a "Committee" with the following officials to examine the issue in detail for exploration of possibility of revision of Royalty on the sale books of Nationalised Text Books and submit their report with specific recommendations to the Government within (3) Three Months so as to enable to take further action in the matter :-

- 1) Commissioner & Director of School Education, A.P.Hyderabad. - Chairman
- 2) The Director, SCERT, A.P.Hyderabad - Member
- 3) The Director, A.P.Govt. Text Book Press, A.P.Hyderabad. -Member-Convener

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

CHANDANA KHAN  
SPECIAL CHIEF SECRETARY TO GOVERNMENT (P.E)

To  
The Commissioner & Director of School Education, A.P.Hyderabad.  
The Director, A.P.Govt. Text Book Press, Hyderabad  
The Director, SCERT, A.P.Hyderabad.  
Sri. Satyanarayana Reddy, Director(I/C), SCERT, Hyderabad.  
Sri Sudharkar, Director, A.P.Govt. Text Book Press, Hyderabad.  
Sf/sc.

:: FORWARDED :: BY ORDER ::

SECTION OFFICER